Supreme Court, U.S.
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No. 97-1254

IN THE
Supreme Court of the United States
OCTOBER TERM, 1997

PRACTICE MANAGEMENT INFORMATION CORP.,
Petitioner,

v.

AMERICAN MEDICAL ASSOCIATION,
Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

RESPONDENT'S BRIEF IN OPPOSITION

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QUESTIONS PRESENTED

1. Whether a government decision to require participants in certain federally funded health care programs to report claims for reimbursement using the American Medical Association's preexisting and privately authored copyrighted work of medical nomenclature, the *Physician's Current Procedural Terminology* ("*CPT*"), has transformed *CPT* into a "law" and thereby divested the AMA of its copyright in that work?

2. Whether *CPT*, a creative work of medical nomenclature, is a "system" uncopyrightable under 17 U.S.C. § 102(b), such that it may be copied wholesale for commercial use by competitors?

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RESPONDENT'S BRIEF IN OPPOSITION

Four months ago, this Court denied a substantively identical petition for certiorari filed by petitioner Practice Management Information Corp. in this case. *Practice Mngmt. Info. Corp.* v. *American Medical Ass'n*, 118 S. Ct. 339 (1997) (No. 97-401). Petitioner now makes this successive filing, asserting that its first petition was denied only on "ripe[ness]" grounds (Pet. 1). Whether or not that is true, of course, is known only to the Court. The fact that the Clerk filed the first petition rather than returning it to petitioner as untimely suggests, however, that the prior denial of certiorari was on the merits, not merely procedural. See Sup. Ct. R. 13.2 (Clerk may not file untimely petitions for certiorari).

In any event, this second petition offers no more reason for Supreme Court review than did the first. Now, as then, petitioner seeks review of fact-bound questions cor-

rectly decided by the court of appeals under settled law, as to which there is no conflict among the Circuits. Accordingly, the petition for certiorari should be denied.

COUNTERSTATEMENT OF THE CASE

The background section of the petition gives but scant attention to *CPT*, the work here at issue. It focuses instead on the supposed "history" of "privately drafted laws" (Pet. 4-6) and a reargument of petitioner's claims (Pet. 7-10), rejected by the court of appeals below, that *CPT* has been "adopted into law at both the federal and state levels" (Pet. 10). Respondent American Medical Association ("AMA") therefore sets forth the following factual statement.[1]

Factual Background

1. Since 1966, the AMA has published *Physicians' Current Procedural Terminology* ("*CPT*"). As the district court found (Pet. App. E7), *CPT* sets forth "original" textual descriptions of medical procedures. It also assigns a five-digit numeric code to each description and includes two-digit modifiers to indicate common variations in such factors as extensiveness of medical service.

Like other works of medical nomenclature, *CPT* enables physicians to communicate concisely with colleagues, patients, and insurers about the procedures that they have performed. It enables use of a concise, multi-digit code instead of a time-consuming verbal description. Consequently, *CPT* is used for a variety of purposes, including widespread application in connection with internal hospital record-keeping systems and medical research. *CPT*'s use in state and federal reimbursement programs is just one

[1] In citing the record, the AMA cites two sources in addition to the opinion of the court of appeals: (1) volume II of PMIC's Excerpts of Record, abbreviated simply as "ER," and (2) the AMA's Supplemental Excerpts of Record, abbreviated as "SER." The numeral following this designation indicates the tab in either ER or SER corresponding to the clerk's record on appeal. A copy of the 1994 *CPT* appears as volume I of PMIC's Excerpts of Record.

of its many uses. See SER 20-1, pp. 3-4, ¶ 6; SER 22, p. 2, ¶ 3.

The AMA has devoted enormous original effort to the creation, development, and updating of this work over the past thirty years. The first edition of *CPT*, published in 1966, described 3,634 surgical, medical, radiology and laboratory procedures, and assigned each a four-digit code. The second edition of *CPT*, published in 1970, introduced five-digit codes and assigned numbers to many newly described medical procedures. A third edition in 1973 added the use of two-digit modifier codes to allow physicians greater precision in reporting. The fourth edition, first published in 1977, incorporated many revisions reflecting rapid technological developments. By 1993, *CPT* included, in addition to textual description, 6,925 codes and 26 types of modifiers. SER 20-2, p. 1.

The AMA revises *CPT* each year to reflect on-going medical developments. The AMA staff initially reviews all suggestions for change. Suggestions that raise new issues about medical nomenclature—or shed new light on previously considered issues—are forwarded to members of the AMA's *CPT* Advisory Committee. Final decisions on changes are made by the AMA's *CPT* Editorial Panel, a 14-member body. In a typical year, the AMA staff adds, deletes, and substantially revises hundreds of codes. See SER 20-1, pp. 4-7, ¶¶ 7-10.

2. The Health Care Financing Administration ("HCFA") is the federal subagency that administers the Medicare and Medicaid programs. In 1977, HCFA recognized that it needed a uniform code for Medicare and Medicaid to facilitate the processing of reimbursement requests. See generally 42 U.S.C. § 1395w-4(c)(5). It examined three options: (1) developing its own code at taxpayer expense; (2) using *CPT*; or (3) using one of many other privately developed codes of medical nomenclature that compete with *CPT*, such as "SNOMED," maintained by the College of American Pathologists, or

ICD-9-CM. SER 20-2, pp. A-1 to A-2; see also SER 20-1, pp. 7-8, ¶ 12. After much study, HCFA concluded that the best option was to use *CPT*. *Id.*; see also 48 Fed. Reg. 16,750, 16,753 (1983); SER 47, p. 3, ¶ 6.

Accordingly, in 1983 HCFA and the AMA entered into a licensing agreement ("the Agreement") under which the AMA has given HCFA a royalty-free, non-exclusive license to use *CPT*. Pet. App. A3. The Agreement provides that HCFA will require the use of *CPT* in a variety of federal programs. Significantly, HCFA may terminate the Agreement at any time upon 90 days notice. ER 76, p. 4; SER 3-2, p. 4, ¶ 10. Thus, at any time, HCFA is free to require use of another work of medical nomenclature instead of *CPT*.

CPT, like other works of medical nomenclature, does not prescribe whether or not a physician is entitled to payment for medical procedures performed. Moreover, it does not prescribe the amount of any payment that may be due. *CPT* simply makes it easier to communicate the information needed to evaluate a claim for payment.

3. Although petitioner nakedly asserts (Pet. 17-18) that it is "undisputed" that the AMA has "restrict[ed] publication and distribution" of *CPT*, that assertion is both false and contrary to the record. As the court of appeals concluded (Pet. App. A7-A8), *CPT* is broadly disseminated and is not in short supply. Petitioner itself, which prior to this litigation purchased in excess of 100,000 copies of *CPT* each year, is among the largest purchasers of *CPT*. SER 20-1, pp. 7, 9-10, ¶¶ 11, 16; ER 76, p. 6. It thus is hardly surprising that, as the court of appeals noted (Pet. App. A7), "[t]here is no evidence that anyone wishing to use the *CPT* has any difficulty obtaining access to it."

Procedural Background

1. Three days after informing the AMA that it was "disappointed that PMIC was not provided with a better discount" (SER 21, p. 4, ¶ 8) and failing to extract fur-

ther price concessions beyond the 35% discount offered by the AMA, petitioner filed this lawsuit. Petitioner sought preliminary injunctive relief, a declaration that the AMA's copyright in *CPT* is invalid, and damages. The AMA filed a counterclaim, asserting copyright infringement and other federal and state law claims not relevant here.

The district court denied petitioner's motion for preliminary injunction on both legal and equitable grounds. The court, *inter alia*, rejected petitioner's claim that *CPT* is a " 'system' falling outside the scope of copyright protection." ER 34, pp. 16-20. Thereafter, on cross-motions for summary judgment, the district court also rejected petitioner's contention that the decision by the government to require use of *CPT* in connection with certain federal programs transformed *CPT* into an uncopyrightable "law" and thereby divested the AMA of its copyright in that work. ER 76. Accordingly, the court granted partial summary judgment in favor of the AMA and enjoined PMIC from copying *CPT*.

2. The court of appeals unanimously affirmed the district court's ruling that *CPT* is copyrightable. 121 F.3d 516 (9th Cir. 1997). The court first addressed petitioner's "argument that the *CPT* became law and entered the public domain when HCFA by regulation required its use." Pet. App. A5. Noting that this argument "rests ultimately upon *Banks* v. *Manchester*, 128 U.S. 244 (1888)," which held that judicial opinions are not copyrightable, the court noted that *CPT* is hardly analogous to judicial opinions. Pet. App. A5. Observing that the rule that "laws" are not copyrightable "grew out of a much different set of circumstances than do [privately authored works whose use is legally mandated]," the court refused to inhibit the " 'important public function' " that the drafters of such works perform. Pet. App. A9 (quoting *Building Officials & Code Admin.* v. *Code Tech., Inc.*, 628 F.2d 730, 736 (1st Cir. 1980) ("*BOCA*")). The contrary result, the court noted, " 'would raise very substantial problems under the Takings Clause of the Con-

stitution' " and would produce absurd results. Consequently, the court of appeals joined the Second Circuit in rejecting the view " 'that a state's reference to a copyrighted work . . . results in loss of the copyright.' " Pet. App. A10 (quoting *CCC Info. Servs., Inc.* v. *Maclean Hunter Market Reports, Inc.*, 44 F.3d 61, 74 (2d Cir. 1994)).

Next, the court of appeals turned to an argument made only in cursory fashion by petitioner—that "the *CPT* is an uncopyrightable industry standard or 'idea' under Section 102(b) of the Copyright Act[, 17 U.S.C. § 102(b)]." Pet. App. A11 n.8. The court held that the AMA has not sought to monopolize the "idea" of "coding" medical procedures. *Id.* Instead, the AMA merely seeks to prevent "wholesale copying" of its particular expression of the idea of medical coding, *i.e.*, *CPT*. Petitioner and others remain entirely free to develop their own works of medical nomenclature and to ask HCFA to require that such other works be used instead of *CPT*. *Id.*

3. While the AMA's timely petition for rehearing and suggestion for rehearing *en banc* on the independent copyright misuse issue[2] was pending before the court of appeals, petitioner filed its first petition for certiorari. This Court denied certiorari on October 20, 1997. *Practice Mngmt. Info. Corp.* v. *American Medical Ass'n*, 118 S. Ct. 339 (1997) (No. 97-401). Petitioner filed the instant petition raising the same issues presented in its first petition.

REASONS FOR DENYING THE PETITION

The petition for certiorari should be denied because the decision of the court of appeals merely involves the

[2] The court of appeals also ruled that although the AMA's copyright in *CPT* was and is valid, the AMA had "misused" its copyright by negotiating an agreement with HCFA to require the use of *CPT* in connection with certain government programs. Pet. App. A12-A14. The AMA plans to seek a writ of certiorari on that independent issue.

application of settled law to facts specific to this case. Although petitioner asserts that the court below held that "laws drafted by private organizations" are copyrightable (Pet. 17), that was not the ruling of the court of appeals. To the contrary, the court below expressly acknowledged the venerable rule that "laws" are not copyrightable (e.g., Pet. App. A5). Rather, the court held that *CPT* is not a "law" and that it was not transformed into a "law" when the government required its use in connection with certain public programs. The core holding in this case—that *CPT* is not a "law"—is a case-specific determination unworthy of this Court's review, and there is no conflict on the question whether government-mandated use of a privately authored work transforms the work into a "law" and thereby divests the author of its copyright.

The second question presented also does not merit review by this Court. The court of appeals' rejection of petitioner's argument that *CPT* should be deemed an uncopyrightable "system" under section 102(b) rests on the fact that *CPT* is merely one of any number of possible expressions of a work of medical nomenclature. Pet. App. A11 n.8. This holding also reflects the application of a settled rule of law to the specific characteristics of *CPT* and the medical coding industry. Accordingly, the Petition should be denied.

I. BASED ON ESTABLISHED LEGAL PRINCIPLES, THE COURT BELOW CORRECTLY DETERMINED THAT THE AMA'S COPYRIGHT IN *CPT* WAS NOT DIVESTED BY A GOVERNMENT DECISION TO REQUIRE USE OF THAT WORK IN CONNECTION WITH CERTAIN FEDERALLY FUNDED HEALTH CARE PROGRAMS.

A. The Petition rests on the unsupportable assumption that *CPT* is a "law" for purposes of the "laws" exception to copyright. The court of appeals properly rejected that assumption as erroneous. For more than a century, the exception for "laws" has "remained limited to

statutes and opinions promulgated by government officials for general application." *Rand McNally & Co.* v. *Fleet Mngmt. Sys., Inc.*, 591 F. Supp. 726, 736 (N.D. Ill. 1983). *CPT* does not even remotely resemble any of these classic forms of law.

CPT, which the AMA authored seventeen years *before* HCFA chose to require its use for Medicaid and Medicare purposes, does not prescribe whether, or to what extent, physicians or patients may receive reimbursement for a particular medical procedure. Rather, Congress and HCFA make the determination whether any given procedure, as described by a specific numeric code, will be reimbursed.[3] *CPT*, then, does not alter or affect anyone's legal rights in any respect. Instead, it performs but one role: It enables physicians and others to communicate effectively and concisely about medical services performed for patients. Thus, the court of appeals properly rejected petitioner's argument that *CPT* is a "law."

B. Once it is understood that *CPT* is not a "law," it becomes clear that the purported circuit split on the "copyrightability of privately drafted laws" (Pet. 19) is nonexistent. Contrary to petitioner's claim, there is no conflict between the decision below and *CCC Info. Servs., Inc.* v. *Maclean Hunter Market Reports, Inc.*, 44 F.3d 61 (2d Cir. 1994) ("*CCC*"), on the one hand, and the

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[3] Petitioner attempts to obscure this fact by citing HCFA's use of *CPT* in the Medicare Fee Schedule (Pet. 8). As even a glance at the Fee Schedule reveals, however, *CPT* is used simply as a shorthand to communicate, after the fact, the medical services to which the government has assigned a particular level of reimbursement. Nothing in *CPT* itself affects the degree of reimbursement to which anyone is entitled. It also bears emphasis that petitioner does *not* simply wish to copy the Medicare Fee Schedule as it appears in the *Federal Register*. Instead, as petitioner stressed in the district court, it seeks the right to distribute the entirety of *CPT*'s written descriptions of medical procedures and numeric codes. *See* PMIC's Reply Brief In Support of Its Motion for Preliminary Injunction, at 4 (July 20, 1994).

decision in *Building Officials & Code Admin.* v. *Code Tech., Inc.*, 628 F.2d 730, 736 (1st Cir. 1980), on the other.

First, unlike this case and *CCC*, *BOCA* involved an actual model law—a building code drafted for the purpose of enactment into law—that was, with only "minor" exceptions, adopted as the official building code for the Commonwealth of Massachusetts. *Id.* at 732. Once promulgated by the state building authorities, the building code became a "self-executing ordinance" (*Del Madera Properties* v. *Rhodes & Gardner, Inc.*, 637 F. Supp. 262, 264 (N.D. Cal. 1985), *aff'd*, 820 F.2d 973 (9th Cir. 1987)), in the sense that it set forth binding legal rules governing the conduct of the public, the violation of which was punishable by "sanctions." 628 F.2d at 734.

In contrast, this case and *CCC* involve privately authored reference works not written for government enactment (here, *CPT*, a work of medical nomenclature; in *CCC*, a work of used-car valuations) whose use is required by the government in conjunction with certain programs. See *CCC*, 44 F.3d at 74; Pet. App. A10 (same). Because this case and *CCC* involved mere government-mandated use of preexisting reference works, *not* "laws," neither court reached the question discussed in *BOCA*.

Second, quite apart from whether *CPT* is a "law," there is no split with *BOCA* because *BOCA* did not announce the holding petitioner attributes to it. Petitioner asserts that in *BOCA* "[t]he First Circuit . . . squarely held that privately drafted laws are not protectable by copyright" (Pet. 13). This is misleading. As the courts below (Pet. App. A9) and in *CCC* (44 F.3d at 73-74) correctly noted, *BOCA* was not a decision on the merits, but rather a ruling on preliminary injunctive relief. The First Circuit reversed the preliminary injunction issued in BOCA's favor, concluding that "BOCA has not demonstrated a sufficient probability that it will succeed

in distinguishing the BOCA CODE materials promulgated by Massachusetts in its building code from statutes and judicial opinions which, under existing law, may not receive copyright protection." 628 F.2d at 736.

In so holding, the First Circuit expressly (and repeatedly) disclaimed the broad holding petitioner erroneously attributes to it (Pet. 13), stressing that it did *not* definitively rule on the merits. See, *e.g.*, *id.* at 732 ("We stop short, however, of ruling definitively on the underlying legal issues, since we feel that our final judgment should await the more complete hearing on the merits which may be anticipated in due course.").[4] Because *BOCA* explicitly limited its ruling to likelihood of success, without expressing a final view on the merits of any substantive copyright issues, *BOCA* simply cannot be in conflict with the decisions below and in *CCC*, which, unlike *BOCA*, were rulings on the merits that did not involve mere decisions as to the propriety of preliminary injunctive relief.

For each of these reasons, the supposed conflict that petitioner has identified is illusory—which is why the court below did not deem *BOCA* inconsistent with its opinion and explicitly relied on *BOCA* and *CCC* alike. Pet. App. A9-A11. Accordingly, the first question presented does not merit this Court's review.

C. The decision of the court below on this issue also reflects sound public policy. If the court had adopted petitioner's unprecedented view of what constitutes a "law," the implications would have been radical. Petitioner's view that government-required use of a copyrighted work transforms that work into a "law" would, if adopted, invalidate copyrights in a large number of works whose use

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[4] *See also BOCA*, 628 F.2d at 735 ("we do not rule finally on the question"); *id.* at 736 (although the court would "[n]ormally . . . expect to rule finally on such a 'legal' issue," "[w]e think it inadvisable to do so here"); *id.* ("we leave the matter open for consideration by the district court when the merits are reached").

is mandated by the government.[5] In this connection, the court of appeals specifically noted that several prominent non-profit organizations that develop copyrighted codes and standards filed a brief *amicus curiae* in support of the AMA "warn[ing] that they will be unable to continue to do so if the codes and standards enter the public domain when adopted by a public agency." Pet. App. A7.

Use by the government of privately copyrighted works is widely regarded as desirable. See *CCC*, 44 F.3d at 74 n.30; 1 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 5.06[C], at 5-92 (1997). Indeed, the Office of Management and Budget ("OMB") has directed all federal agencies to "adopt[]" private works "whenever practicable and appropriate." 58 Fed. Reg. 57,643, 57,644-45 (1993). The court of appeals' conclusion that the government may require use of a copyrighted work in connection with a government program without divesting the work of its copyright thus reflects sound public policy.

Petitioner's novel rule would essentially deprive government agencies of the ability to rely on privately authored works. Authors would lose any incentive voluntarily to allow the government royalty-free use of their works.

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[5] For instance, many courts require attorneys filing briefs to ensure that all citations conform to the current edition of the Harvard Law Review's *The Bluebook, A Uniform System of Citation*, a copyrighted publication colloquially referred to as the "Bluebook." *See, e.g.*, 11th Cir. R. 28-2(k); U.S. Ct. Mil. App. R. 24(c)(3) (1996 ed.). Even though such court rules mandate use of the Bluebook, it would be absurd to suggest that the Bluebook has thereby become an uncopyrightable "law" subject to copying for commercial uses. Other examples of copyrighted works that would become "laws" on petitioner's unprecedented view are: the Scholastic Aptitude Test (which is required by many public colleges and universities as a condition for admission) and certain word-processing programs (which must be used in reporting data to certain federal agencies). *See, e.g.*, 47 C.F.R. § 61.23 (1998) (requiring carriers making tariff filings at the Federal Communications Commission to "us[e] MS DOS 5.0 and WordPerfect 5.1 software").

Moreover, the consequence of permitting such use—forfeiture of copyright royalties—would eliminate the revenue that many authors (especially non-profit organizations) need to produce their work and perform their institutional missions. In addition, any government decision to appropriate the copyright in a private work would raise a substantial issue under the Takings Clause. See generally *Roth* v. *Pritikin*, 710 F.2d 934, 939 (2d Cir. 1983). For all of these reasons, it would be contrary to the dictates of both the Copyright Act and public policy to "cabin the discretion of government agencies" to use privately authored works (with the authors' consent) instead of independently producing their own works at substantial effort and public expense. *Schnapper* v. *Foley*, 667 F.2d 102, 109 (D.C. Cir. 1981). These considerations underscore that the lower courts' resolution of the first question presented is fully consistent with the policies of the Copyright Act, and thus does not merit review by this Court.

II. WHETHER *CPT* IS AN UNCOPYRIGHTABLE "SYSTEM" UNDER SECTION 102(b) OF THE COPYRIGHT ACT PRESENTS A FACT-BOUND QUESTION, CORRECTLY DECIDED BELOW, THAT IMPLICATES NO DECISIONAL CONFLICT AMONG THE CIRCUITS.

With regard to section 102(b), the court of appeals concluded that *CPT* is not an uncopyrightable "system" but rather merely one expression of the idea of a work of medical nomenclature. Pet. App. A11 n.8. Several other works of medical nomenclature exist, see *id.*, and an infinite number are possible. The court's fact bound conclusions in this regard are correct, and there is no conflict among the circuits on the proper scope and application of section 102(b)'s exclusion from copyright for "systems." Therefore, there is no reason for this Court to reexamine the court of appeals' decision on this issue.

A. This Court has concluded that section 102(b)'s exclusion of "systems," *inter alia*, from copyright "re-state[s]" the "basic dichotomy between expression and idea." *Feist Publications, Inc.* v. *Rural Tel. Serv., Co.*, 499 U.S. 340, 356 (1991) (internal quotation omitted) (citing H.R. Rep. No. 94-1476, at 57 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5670); see generally *Toro Co.* v. *R & R Prods. Co.*, 787 F.2d 1208, 1212 (8th Cir. 1986). Thus, it would "be a misreading of Section 102(b) to interpret it to deny copyright protection to 'the expression' of a work, even if that work happens to consist of an 'idea, procedure, process, [system,] etc.'" 1 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 2.03[D], at 2-35 (1997 ed.) (footnote omitted); see also *Baker* v. *Selden*, 101 U.S. 99, 104 (1879) (literary expression of a system copyrightable although system itself is not). Under *Mazer* v. *Stein*, 347 U.S. 201, 218 (1954), an expression of a system remains copyrightable even if others use the work as a system (*e.g.*, a system for reporting medical procedures). See, *e.g.*, *American Dental Ass'n* v. *Delta Dental Plans Ass'n*, 126 F.3d 977, 980-81 (7th Cir. 1997) (holding that a work of dental nomenclature used for reporting dental procedures for payment purposes is not an uncopyrightable "system" under section 102(b)).

As the court of appeals correctly noted, enforcement of the AMA's copyright would not monopolize the "idea" of preparing descriptions of medical procedures and assigning numeric codes to these descriptions. In fact, the undisputed existence of competing works in the area of medical nomenclature shows that "the AMA's copyright does not stifle independent creative expression in the medical coding industry" (Pet. App. A11 n.8). To the contrary, all the AMA seeks to prohibit is "wholesale copying" of *CPT* (*id.*). Therefore, *CPT* is not an uncopyrightable system under section 102(b).[6]

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[6] Petitioner also makes a "merger" argument in passing, arguing under section 102(b) that in *CPT* "idea and . . . expression in a

B. Petitioner claims that several Circuits, including the court below, have ruled that functional works that would otherwise be uncopyrightable "systems" under section 102(b) are entitled to the protections of copyright as long as it is possible to create competing works,[7] whereas other Circuits deem the availability of alternative forms of expression immaterial on this score.[8] Petitioner does not explain how such a conflict could exist in light of this Court's explicit recognition in *Feist*, 499 U.S. at 356, that section 102(b) "restate[s]" the "basic dichotomy between expression and idea"—an approach that mandates an inquiry into whether copyright protection in a particular case would foreclose alternative expressions of an idea. See also *Baker* v. *Selden*, 101 U.S. at 104. In fact, review of the cases cited by petitioner demonstrates that no such conflict exists.

1. Tellingly, petitioner's discussion of the case law is bereft of any quotations from the cases that petitioner

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law are merged" (Pet. 23-24). The "merger" claim, however, merely calls for an application of settled law to facts, and even petitioner has not claimed any conflict on the merger issue. In any event, the merger argument fails for the same reason the idea/expression argument is unavailing: *CPT* admittedly does not represent the only way of expressing the idea of a compendium of medical nomenclature and codes. *See, e.g., Atari Games Corp.* v. *Nintendo of Am. Inc.*, 975 F.2d 832, 840 (Fed. Cir. 1992) (merger doctrine inapplicable "so long as alternate expressions are available"); *Educational Testing Servs.* v. *Katzman*, 793 F.2d 533, 540 (3d Cir. 1986) (same). In arguing otherwise, petitioner simply assumes, without analysis, that *CPT* is a "law"—the very fact-bound question correctly decided against petitioner by the courts below.

[7] *See* Pet. 26-28 (citing *American Dental Ass'n* v. *Delta Dental Plans Ass'n*, 126 F.3d 977 (7th Cir. 1997); *Toro Co.* v. *R & R Prods. Co.*, 787 F.2d 1208 (8th Cir. 1986); Pet. App. A11 n.8).

[8] *See* Pet. 26-28 (citing *Warren Publ'g, Inc.* v. *Microdos Data Corp.*, 115 F.3d 1509 (11th Cir.) (*en banc*), *cert. denied*, 118 S. Ct. 397 (1997); *Publications Int'l, Ltd.* v. *Meredith Corp.*, 88 F.3d 473 (7th Cir. 1996); *Lotus Dev. Corp.* v. *Borland Int'l, Inc.*, 49 F.3d 807 (1st Cir. 1995), *aff'd by equally divided Court*, 516 U.S. 233 (1996); *Brief English Sys., Inc.* v. *Owen*, 48 F.2d 555 (2d Cir. 1931)).

believes are in conflict. This omission reflects, and analysis of the cases confirms, that petitioner has wrenched from the cases overbroad legal principles that were not articulated by the courts that decided them. Unlike petitioner, these courts recognize that whether a particular work may be copyrighted turns chiefly on the particular characteristics of the work in question rather than on broad legal rules. See, *e.g.*, *Meredith*, 88 F.3d at 480 ("The prerequisites for copyright protection necessitate case-specific inquiries, and the doctrine is not suited to broadly generalized prescriptive rules."). Consistent with this reality of copyright law, all of the decisions that petitioner finds conflicting turn not on broad legal rules, but rather on a careful, fact-intensive assessment of the work in question.

Of the many types of works addressed in the decisions petitioner cites—ranging, for example, from a yogurt recipe book (*Meredith*) to a lawn-mower parts-numbering code (*Toro*), to a directory of cable-system operators (*Warren Publishing*)—only one case addressed a work that is even remotely analogous to *CPT*. Specifically, in *American Dental Association*, 126 F.3d 977, the Seventh Circuit squarely held, *inter alia*, that a work of dental nomenclature is not a "system" uncopyrightable under section 102(b), even if one of its uses was as a shorthand for reporting claims for reimbursement. In that case, the court (per Easterbrook, J.) unanimously reached the same result as the court of appeals below. It rejected the notion that a creative work of professional taxonomy is an uncopyrightable "system." See, *e.g.*, *id.* at 980-81 ("The [dental] Code is a taxonomy, which may be put to many uses. These uses may be or include systems; the Code is not."). Thus, the only Circuit decision to address a work similar to *CPT* reached the same result as the court below. This fact alone strongly undermines petitioner's claim that the Circuits are "sharply divided" on the second question presented (Pet. 26).

2. The remaining cases, allegedly in conflict with each other (but involving very different kinds of works), simply do not support the propositions for which petitioner cites them. For example, petitioner asserts that *Meredith* "hold[s] that systems are *per se* uncopyrightable under Section 102(b), regardless of the availability of alternative systems" (Pet. 26). What petitioner fails to say is that the Seventh Circuit explicitly "limit[ed] [its] holding today to the facts of this case" (88 F.3d at 482), *i.e.*, "barebones recipes" that contain nothing beyond "the directions for producing a certain dish" (*id.* at 481). The limited holding in *Meredith* is irreconcilable with the broad holding attributed to it in the Petition.

Other cases that petitioner cites as in conflict on the "system" issue under section 102(b) do not even address that issue. See *Lotus Dev. Corp.* v. *Borland Int'l, Inc.*, 49 F.3d 807, 815 (1st Cir. 1995) ("Because we conclude that the Lotus menu command hierarchy is a method of operation [under § 102(b)], we *do not* consider whether it could also be a system, process, or procedure [under the statute].") (emphasis added); see also *CMM Cable Rep, Inc.* v. *Ocean Coast Properties, Inc.*, 97 F.3d 1504, 1518-19 (1st Cir. 1996) (ruling that radio promotional contest lacked "the modicum of originality necessary for copyright protection," but then stating that even if the contest were original, it would be a "method of operation" uncopyrightable under section 102(b)); *Brief English Sys., Inc.* v. *Owen*, 48 F.2d 555, 556 (2d Cir. 1931) (pre-section 102(b) case holding that no infringement had occurred due to the "dissimilar[ity]" of the copyrighted and allegedly infringing works). Although in both *Lotus* and *CMM Cable* the First Circuit concluded that the works there at issue were uncopyrightable under section 102(b) as a "method of operation," petitioner has limited itself in this Court to the claim that *CPT* is a "system" under section 102(b) (see Pet. i).[9] The "method of operation" issue

[9] Any suggestion that the terms "system" and "method of operation" are synonymous would not only be wrong as a definitional

addressed by *Lotus* is not even remotely (much less "fairly") included within the second question presented, and thus is not properly before the Court.[10] See Sup. Ct. R. 14.1(a).

Petitioner's remaining claim that the en banc decision of the Eleventh Circuit in *Warren Publishing, Inc.* v. *Microdos Data Corp.*, 115 F.3d 1509 (11th Cir. 1997), conflicts with the ruling below rests on a misinterpretation of *Warren Publishing*. Petitioner asserts that the Eleventh Circuit ruled that the selection criteria employed by the publisher of a directory of cable system operators was an uncopyrightable "system" even though "other compiling systems were clearly available" (Pet. 27). *Warren Publishing*, however, expressly reached the opposite conclusion as to the availability of competing "systems." Contrary to petitioner's assertion that "other compiling systems were clearly available" (Pet. 27), the court concluded that there were "very few ways, if not only one way, of expressing the data" contained in the directory."[11] *Id.* at 1519 n.27. For this reason as well, the "system" split that petitioner claims to exist is in fact nonexistent. Thus the second question presented, like the first, does not merit review by this Court.

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matter—it would violate the well-established canon of construction that terms in a statute should not be construed to be superfluous. *See, e.g., Ratzlaf* v. *United States*, 510 U.S. 135, 140-41 (1994).

[10] The fact that the First Circuit in *Lotus* did not rule on the "system" issue at all refutes petitioner's speculation (Pet. 28) that this Court "presumably" granted certiorari in *Lotus* to address the system issue.

[11] The work at issue listed cable system operators not by each geographic area they served, but rather by the principal community served within a given area, with other localities cross-referenced in the index to the principal community. 115 F.3d at 1512. The court explained that if the publisher "were given protection in its principal community system [of selection], the concept of cross-referencing would be subsumed in its copyright." 115 F.3d at 1518-19 n.27.

The issues raised in this Petition implicate straightforward application of established legal principles. There is no conflict among the Circuits as to how these principles should be applied. Further, these issues involve fact-specific determination that do not merit this Court's review.

CONCLUSION

The petition for a writ of certiorari should be denied.

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